



SACHI A. HAMAI  
Interim Chief Executive Officer

County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

Kenneth Hahn Hall of Administration  
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*"To Enrich Lives Through Effective And Caring Service"*

Board of Supervisors  
HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

March 31, 2015


The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

10 March 31, 2015

  
PATRICK OGAWA  
ACTING EXECUTIVE OFFICER

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, THE CITY COUNCIL OF THE CITY OF WALNUT, AND THE GOVERNING  
BODIES OF THE WALNUT VALLEY WATER DISTRICT, AND THREE VALLEYS  
MUNICIPAL WATER DISTRICT, APPROVING AND ACCEPTING THE NEGOTIATED  
EXCHANGE OF PROPERTY TAX REVENUE AS A RESULT OF THE PROPOSED  
ANNEXATION OF TERRITORIES TO THE WALNUT VALLEY WATER DISTRICT  
(ANNEXATION NO. 2012-19)  
FIRST DISTRICT  
3 VOTES**

**SUBJECT**

This action is to adopt the Joint Resolution for the Negotiated Exchange of Property Tax Revenue associated with the annexation of territory into the Walnut Valley Water District.

**IT IS RECOMMENDED THAT THE BOARD:**

Approve the Joint Resolution between the Board, the City of Walnut, Walnut Valley Water District, and the Three Valleys Municipal Water District based on the negotiated exchange of property tax revenue related to the proposed Annexation No. 2012-19 to the Walnut Valley Water District.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The governing bodies of the Walnut Valley Water District (District), and the respective taxing entities including the City of Walnut and Three Valleys Municipal Water District, have adopted the Joint Resolution based on the negotiated exchange of property tax revenue related to the proposed annexation to the District.

In order for the Local Agency Formation Commission (LAFCO) for the County of Los Angeles to proceed with the required hearings on the proposed annexation, the Board, on behalf of the Los Angeles County General Fund, Public Library, Consolidated Fire Protection District, and Flood Control District, must also adopt the Joint Resolution.

The proposed annexation territory covers approximately 550.52 acres of territory in the City of Walnut, fronted by Amar Road on the south. The annexation would allow the affected territory to obtain water services from the District.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provision of Community Support and Responsiveness (Goal 2) by providing enhanced services, and effectively planning and responding to economic, social, and environmental challenges. The proposed annexation to the District will enhance services to County residents by allowing the delivery of water service to the territory.

### **FISCAL IMPACT/FINANCING**

There is no base transfer of property taxes associated with this annexation. The adopted joint resolution will allocate a share of the annual property tax increment in the affected Tax Rate Area from the County and the other affected taxing entities to the District, as indicated in the Joint Resolution. The adjustment will be made in the fiscal year following the filing of the statement of boundary change for Annexation No. 2012-19 with the California State Board of Equalization.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56000, the District adopted a resolution and filed an application with LAFCO to initiate proceedings for annexation of territory to the District.

Section 99 of the Revenue and Taxation Code (R&T Code) requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area, or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The District and the other independent taxing entities have adopted the negotiated Joint Resolution for the subject annexation, as required by Section 99 of the R&T Code.

Adoption of the Joint Resolution by the Board will allow LAFCO to schedule the required public hearings to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposal for annexation.

The Joint Resolution has been approved as to form by County Counsel.

### **ENVIRONMENTAL DOCUMENTATION**

The proposed project is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project by Section 15378(b) of the State CEQA Guidelines. This proposed action is the creation of a government funding mechanism, a fiscal activity which does not involve any commitment to any specific project, which may result in a potentially significant physical impact on the environment.

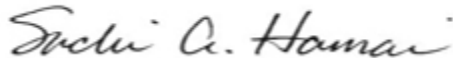
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

No impact on current services.

**CONCLUSION**

At such time as the recommendation is approved by the Board, please return one approved copy of this letter and five signed originals of the Resolution to LAFCO, one approved copy of this letter and a copy of the signed Resolution to the Chief Executive Office, Office of Unincorporated Area Services, and one approved copy of this letter and a copy of the signed Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,



SACHI A. HAMAI  
Interim Chief Executive Officer

SAH:TT:DSP  
JT:acn

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller  
Fire  
Public Library  
Public Works

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS  
OF THE COUNTY OF LOS ANGELES, THE CITY OF WALNUT, AND THE GOVERNING  
BODIES OF THE WALNUT VALLEY WATER DISTRICT AND THE THREE VALLEYS  
MUNICIPAL WATER DISTRICT, APPROVING AND ACCEPTING THE NEGOTIATED  
EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM ANNEXATION OF  
TERRITORY TO THE WALNUT VALLEY WATER DISTRICT  
(ANNEXATION NO. 2012-19)**

**WHEREAS**, pursuant to Section 99 of the Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

**WHEREAS**, the Board of Supervisors of the County of Los Angeles, as the governing body of the County, Public Library, Consolidated Fire Protection District, and Flood Control District, and the governing bodies of the Walnut Valley Water District, City of Walnut, and Three Valleys Municipal Water District have determined the amount of property tax revenue to be exchanged between their respective agencies as a result of the "Walnut Valley Water District Annexation No. 2012-19" is as set forth below:

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The negotiated exchange of property tax revenue between the County of Los Angeles, Walnut Valley Water District, City of Walnut, and Three Valleys Municipal Water District resulting from Annexation No. 2012-19 is approved and accepted.

2. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2012-19 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, 0.000317682 of the annual property tax growth in Tax Rate Area 09393, shall be transferred from the affected taxing entities as specified in the Attachment, to the Walnut Valley Water District as a result of Annexation No. 2012-19 to the District. The affected taxing entities' shares of property taxes in Tax Rate Area 09393 shall be adjusted as specified in the Attachment.

3. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2012-19 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, 0.000341929 of the annual property tax growth in Tax Rate Area 14586, shall be transferred from the affected taxing entities as specified in the Attachment, to the Walnut Valley Water District as a result of Annexation No. 2012-19 to the District. The affected taxing entities' shares of property taxes in Tax Rate Area 14586 shall be adjusted as specified in the Attachment.

4. There shall be no additional transfer of property taxes as a result of Annexation No. 2012-19.

5. If at any time after the effective date of this resolution, the calculations used herein to determine initial property tax transfers or the data used to perform those calculations are found to be incorrect thus producing an improper or inaccurate property tax transfer, the property tax transfer shall be recalculated and the corrected transfer shall be implemented for the next fiscal year, and any amounts of property tax received in excess of that which is proper shall be refunded to the appropriate agency.

PASSED, APPROVED AND ADOPTED this 20th day of October, 2014  
by the following vote:

AYES: Carrera, Ebenkamp ABSENT: None  
Hilden, Kwong, Wu

NOES: None ABSTAIN: None

Walnut Valley Water District

Burba Law

Signature

Barbara Carrera, Board President  
Print Name and Title

ATTEST:

Michael Holmes

Secretary


*/*

(Signed in Counterpart)

The foregoing resolution was on the 31<sup>st</sup> day of March, 2015, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



PATRICK OGAWA, Acting Executive Officer  
Clerk of the Board of Supervisors of  
the County of Los Angeles

By  Deputy

APPROVED AS TO FORM:

MARK J. SALADINO  
County Counsel

By MSD  
Deputy

[illegible]

(Signed in Counterpart)



PASSED, APPROVED AND ADOPTED this 15 day of October, 2014  
by the following vote:

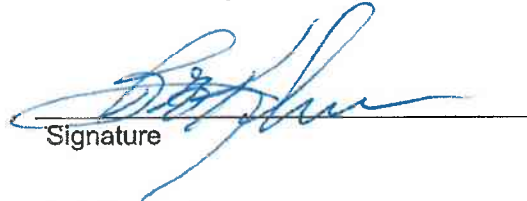
AYES: Bowcock, DeJesus, Goytia, Horan, Kuhn, Lantz, Ruzicka

NOES:

ABSENT:

ABSTAIN:

Three Valleys Municipal Water District



Signature

Bob Kuhn, President

Print Name and Title

ATTEST:



Secretary, Brian Bowcock

/

(Signed in Counterpart)